

**APPROPRIATIONS COMMITTEE**  
**February 16, 2022**

HB 5037 – AA ADJUSTING THE STATE BUDGET FOR THE BIENNIUM  
ENDING JUNE 30, 2023

Testimony Submitted By:

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Senator Osten, Representative Walker, Senator Miner, Representative France and distinguished members of the Appropriations Committee, my name is Christopher Stone, and I am the District Counsel at The Metropolitan District (the “MDC”). The MDC, a specially chartered municipal corporation which includes the municipalities of Bloomfield, East Hartford, Hartford, Newington, Rocky Hill, West Hartford, Wethersfield and Windsor, is the provider of potable water services to over 400,000 people located within the eight-member towns and parts of East Granby, Farmington, Glastonbury, Portland, South Windsor and Windsor Locks, and is the provider of wastewater collection, treatment and disposal services to the customers located and residing within its eight-member towns.

The MDC submits this testimony in response to HB 5037, entitled “An Act Adjusting the State Budget For the Biennium Ending June 30, 2023” and respectfully requests that, as the Committee makes its deliberations, it consider two amendments to the bill before it. The first amendment is to allocate to the MDC a portion of federal funds that have been allocated to the State by the federal government in response to the pandemic to fairly compensate the MDC for discharges of groundwater that the State Department of Energy and Environmental Protection (“DEEP”), as operator of the MIRA landfill located in the South Meadows of Hartford, has been making to the MDC’s sewer infrastructure, and the second amendment is to provide clarity that the MDC is a bona fide “municipality” under this and other federal acts for the purposes of being eligible to receive federal funding that has been and may be appropriated by the federal government in response to the pandemic.

As noted above, the MDC is a non-profit municipal corporation chartered by the Connecticut General Assembly via a Special Act in 1929 and is comprised of eight member towns committed to provide certain critical services on a regional basis. In 2021, the U.S. Congress passed and the President signed into law the American Rescue Plan Act of 2021 (ARPA) which provides billions of dollars to State and local governments to ensure that these governments have the resources necessary to maintain vital public services and to make investments that support long-term growth and recovery. House Bill 5037 represents the Governor’s recommended allocations for these federal funds, and the General Assembly, by means of this process, is required to approve or propose modifications to the suggested allocation plan.

The MDC encourages the Committee to exercise its authority to modify these proposed allocations and provide the MDC with an allocation of funds sufficient to compensate it for unpaid fees that have accrued as a result of continuous, nonpermitted discharges of contaminated groundwater and leachate into the MDC sewer infrastructure from the landfill located in the South Meadows of Hartford. Based upon an informal survey of other wastewater facilities that accept, for a fee, this type of discharge, the MDC rates reflect the market. Further, other entities in the state, both private companies and other state agencies, either have paid or are currently paying the MDC fees, recognizing the value of the services provided by the MDC and to avoid the more-costly alternative of trucking this discharge elsewhere.

This accrual of the discharge fees owed by the DEEP to the MDC now totals approximately \$13.6 million and continues to grow, as the DEEP discharges, on average, 80,000 gallons of contaminated groundwater into the MDC sewer system on a daily basis. This fee is not assessed as a means to exploit an opportunity to raise revenue; in fact, the discharge fee is intended to compensate the MDC for the additional stress that is placed on the MDC infrastructure and for the consequential damage that occurs to this infrastructure and the associated costs to repair or replace that damaged infrastructure.

This refusal to pay the fee is unfair, unreasonable, and inequitable because the added costs associated with these discharges ultimately are borne by our member towns, and ultimately each of the ratepayers of the MDC through increases in municipal taxes.

It is important to note that the MDC currently is engaged in its Clean Water Project (CWP), a program that upgrades the region's wastewater infrastructure with more than \$2 billion of improvements designed to protect the health and safety of not only those living in the greater Hartford region but those living in every town located along both the Connecticut River and the Long Island Sound. This is the largest and most ambitious public sector infrastructure improvement project that has ever been undertaken in the State, and while the state has partnered with us in providing grants and low interest loans to cover a portion of the costs of the CWP, the MDC must also rely upon the residents of the eight-member towns to pay for a significant portion of these improvements. Since the start of the CWP, our water customers have seen their water bills nearly double, and the CWP only involves sewers. Within the next ten (10) years or so, we expect to embark on an ambitious water infrastructure improvement project as well. To the extent the legislature can amend HB 5037 to include the MDC as a potential recipient of ARPA funds, the upward pressure on the water and sewer rates will be somewhat softened.

For these reasons, the MDC respectfully requests that the Appropriations Committee amend HB 5037 to incorporate the changes that are discussed herein. Thank you for your attention to these important issues.